First quarter 2014

Thursday April 17th, 2014

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Bezons

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Disclaimers

- This document contains further forward-looking statements that involve risks and uncertainties concerning the Group's expected growth and profitability in the future. Actual events or results may differ from those described in this document due to a number of risks and uncertainties that are described within the 2013 Reference Document filed with the Autorité des Marches Financiers (AMF) on April 2nd, 2014 under the registration number: D14-0272.
- Business Units include **Germany**, **France**, **United Kingdom & Ireland**, **Benelux & The Nordics** (BTN: The Netherlands, Belgium, Luxembourg, Denmark, Finland, and Sweden), **Worldline**, **Central & Eastern Europe** (CEE: Austria, Bulgaria, Croatia, Serbia, Poland, Czech Republic, Russia, Romania, Slovakia, Switzerland, Italy, and Turkey), **North America** (USA and Canada), **Iberia** (Spain and Portugal), and **Other Business Units** including Major Events (including MSL), Latin America (Brazil, Argentina, Mexico, Colombia and Chile), Asia Pacific (Japan, China, Hong Kong, Singapore, Malaysia, Indonesia, Philippines, Taiwan, Thailand, New Zealand, and Australia), India, Middle East, Morocco, South Africa, and Cloud & Enterprise Software.
- Revenue organic growth is presented at constant scope and exchange rates.
- Worldline pro forma revenue figures are best estimates made by the company and net of any transaction with other Atos Service Lines. As a result, Worldline **standalone** first quarter revenue figure may differ very slightly.

Agenda

1. Key figures & highlights
2. Commercial activity
3. Financial results
4. Performance of worldline
5. 2014 objectives
6. Q&A session
7. Appendix

Gilles Grapinet,

Senior Executive Vice President, Global Functions

Highlights

Key figures

	Q1 2014	Q1 2013
Revenue (€m)	2,064	2,102
Free cash flow €m)	30	30
Net cash (€m)	830	258
Total number of employees	76,026	76,261

Revenue at constant scope and exchange rates

Highlights
1/2

- **Contract renewed until 2017** with a large media company in the United Kingdom

- Successful delivery of the IT Services for sochi.ru 2014

- Signature of a Memorandum of Understanding with GAZPROM and SIBUR for a long term strategic partnership in IT services in Russia

Highlights
2/2

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- Agreement for **early termination** of WCA contract with DWP Department for Work and Pensions
- Successful **Industry Analyst Day** held with testimonials from large customers ready for digitalization of their business with Atos
- **Share buy-back II** program almost completed
- worldline **IPO*** process well on track as planned and completion expected before summer break

** depending on market conditions and after consultation of the appropriate employee representative organization*

Gilles Grapinet,

Senior Executive Vice President, Global Functions

Commercial activity

Key commercial figures

1,671
Order entry (€ million)

81%
Book to bill ratio

14.7
Backlog (€ billion)
(1.7 years of revenue)

5.0
Pipeline (€ billion)
(7 months of revenue)

Main wins in IT Services
1/2

Manufacturing, Retail & Transportation

- **RAG** (Germany): **MS & SI** – Infrastructure management (renewal)
- **BMW** (Germany): **SI** – Test and acceptance management (new business)
- **Philips** (Benelux): **MS** - R&D storage (new business)
- **TNO Information** (Benelux): **SI** - IT Project (new business)
- **Thyssen Krupp** (France): **SI** – SAP roll-out (new business)

Public & Health

- **European Agency**: **SI -** Framework contract for the maintenance of the Schengen information system
- **Government Gateway** (UK): **MS & SI** - 2 year extension
- **UK Public administration** (UK): **SI** – Extension
- **French Ministry of Budget** (France): **TS** – New business
- **Natural England** (UK): **SI** - Systems Integration (renewal)
- **English Ministry** (UK): **CO** - Network Services (new business)

Main wins in IT Services
2/2

Telcos, Media & Utilities

- **A large media company** (UK): **MS & SI** – Managed Service (renewal)
- **EDF RTE** (France): **MS** - Enterprise application (new business)
- **GDF Suez** (France): **MS** – European common platform (new business)
- **Unify** (Germany): **MS** - Datacenter (renewal)
- **InterContinental Hotels Group** (North America): **MS** – User services (Renewal)

Financial Services

- **A large Spanish bank** (Iberia): **SI** - Applications Management (new business)
- **A leading international bank** (France): **MS** – Cloud Services (new business)
- **A large Spanish bank** (Iberia): **SI** - Application Management (new business)
- **The largest Islamic bank** (ME region), **SI** - Applications Management (new business)

Order entry and backlog

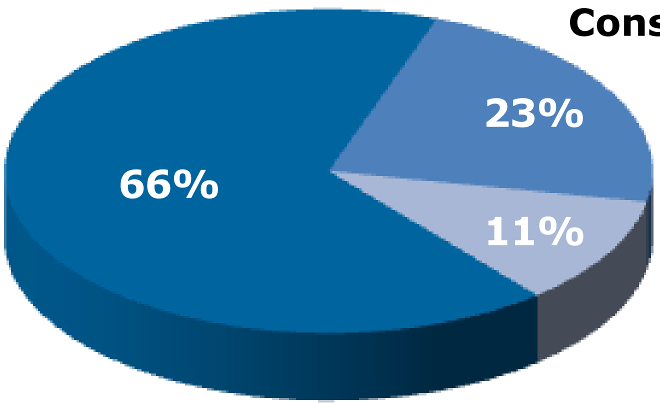
- **Total order entry in Q1 2014 at € 1,671 million**

Book to bill	**Q1 2014**
Managed Services*	79%
Consulting & Systems Integration	92%
Worldline	83%
Total Group	**81%**

Strong fertilization revenue plan:
600+ sales with specific Q2 2014 targets

120% to 130% targeted book to bill in Q2 2014

- **Backlog: Strong visibility at € 14.7 billion**

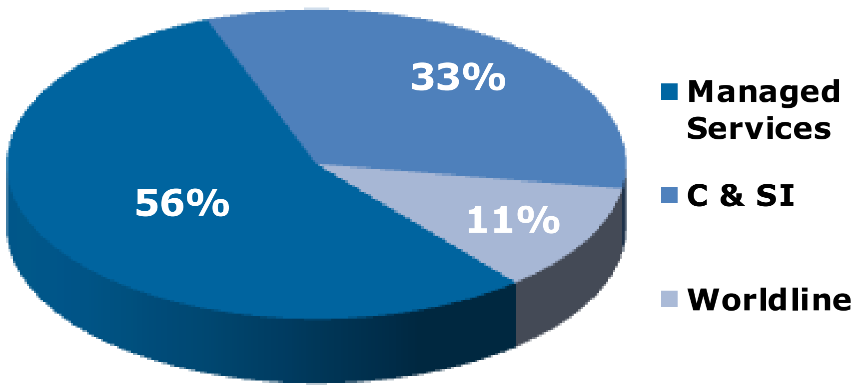


* *Excluding BPO*

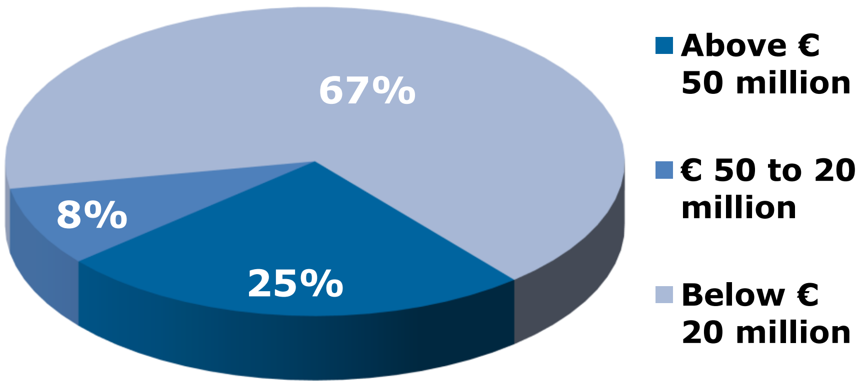
Full qualified pipeline

▶ **Healthy pipeline at € 5.0 billion**

Breakdown by Service Line



Breakdown by deals size



→ **Solid pipeline with large deals in Managed Services**

▶ **New Head of Sales appointed at Group level: Patrick Adiba**

Michel-Alain Proch,

Executive Vice President and Group CFO

Financial results

Constant scope and exchange rates reconciliation

In € million	**Q1 2014**	**Q1 2013**	***% growth***
Statutory revenue	**2,064**	**2,117**	***-2.5%***
Scope effect		2	
Exchange rates effect		-18	
Revenue at constant scope and exchange rates	**2,064**	**2,102**	***-1.8%***

- **Scope effect** resulted from the acquisition of WindowLogic (Asia-Pacific, July 2013) and the disposal of Atos Formation (France, March 2013) and Metrum (The Netherlands, January 2014).
- **Significant exchange rates effect** Exchange rates effect resulted from the Argentine peso (-35.5%), the Brazilian real (-18.7%) and the US dollar (-3.4%) depreciating versus the euro and from the British pound strengthening versus the euro (+2.8%).

Group new organization

- **Reporting changes further to new organization implemented:**
  - Consulting & Technology Services was mostly transferred to **Consulting & Systems Integration**. A small part of the Technology Services was transferred to **Managed Services**
  - BPO was transferred to **Managed Services**
  - **Worldline** is presented as if the carve-out would have taken place on January 1st, 2013
  - HTTS & Specialized Businesses does not exist anymore and Other Specialized Businesses (Civil & National Security and Smart Energy) were transferred to **Consulting & Systems Integration**
  - Sub-market Transport transferred to **Manufacturing, Retail & Transport**

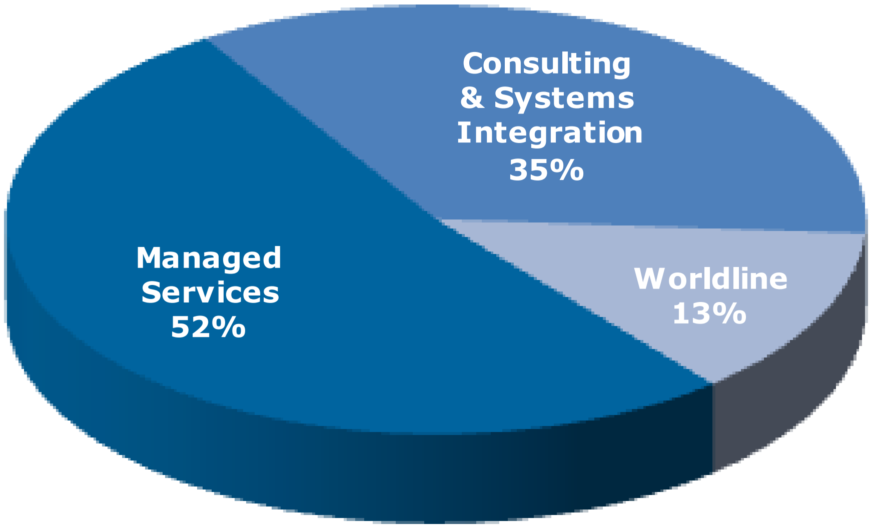
Revenue by Service Line

First quarter 2014
April 17th, 2014

In € million	**Q1 2014**	**Q1 2013***	***% growth***
Managed Services	1,075	1,101	*-2.4%*
Consulting & Systems Integration	724	738	*-1.9%*
Worldline	265	262	*+1.0%*
TOTAL GROUP	**2,064**	**2,102**	***-1.8%***

** Constant scope and exchange rates*

- **Cloud Services** strongly grew in **Managed Services** contracts
- Positive organic growth both in Financial and Medical **BPO**
- **Systems Integration** growing in Public & Health and Manufacturing, Retail & Transportations
- Strong **Consulting** activity in the United Kingdom



Revenue by Business Unit

First quarter 2014
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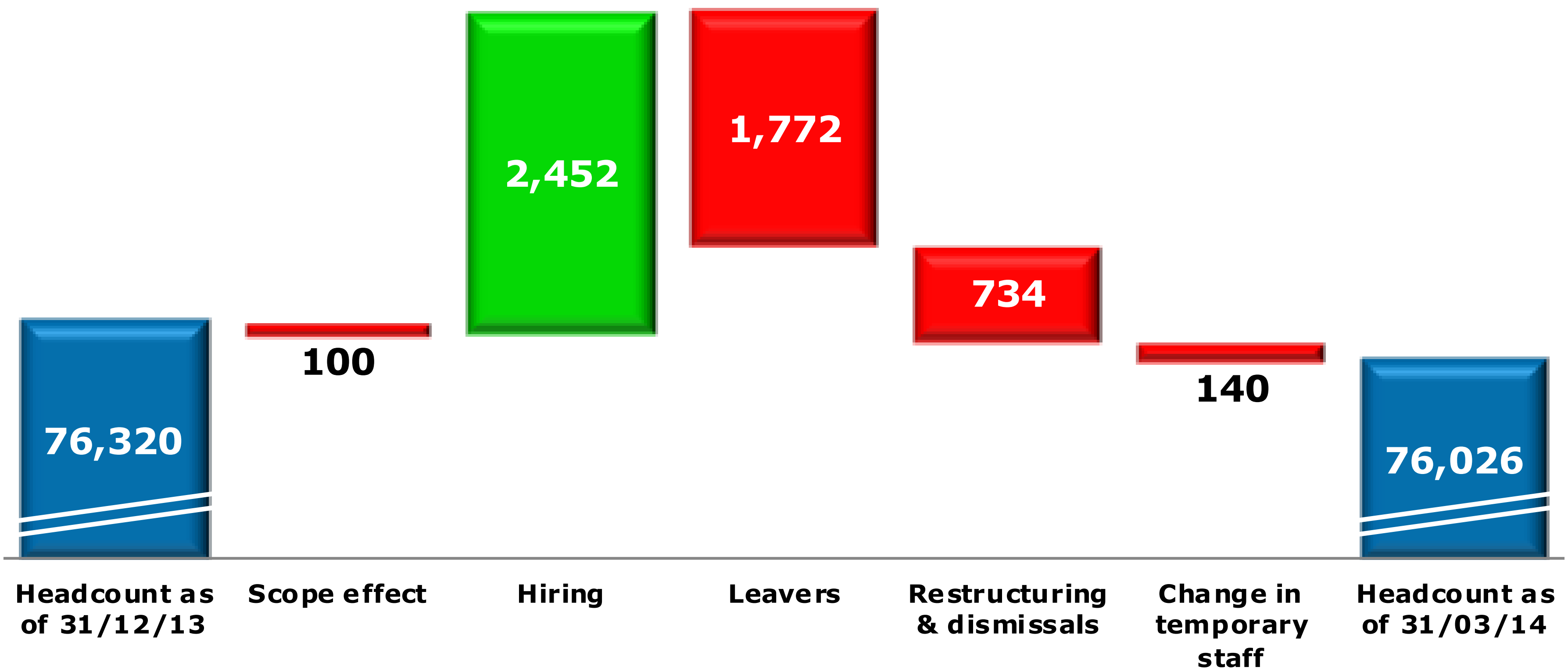
In € million	**Q1 2014**	**Q1 2013***	***% growth***
United Kingdom & Ireland	396	390	*+1.6%*
Germany	389	400	*-2.7%*
France	257	263	*-2.1%*
Benelux & The Nordics	255	279	*-8.5%*
Central & Eastern Europe	184	186	*-1.0%*
North America	143	147	*-3.1%*
Iberia	71	74	*-4.5%*
Other BUs	104	100	*+3.5%*
Total IT Services	**1,799**	**1,839**	***-2.2%***
Worldline	**265**	**262**	***+1.0%***
TOTAL GROUP	**2,064**	**2,102**	***-1.8%***

** Constant scope and exchange rates*

Headcount evolution

- **Stable number of staff**
- **Strong level of hiring at circa 10,000 on a yearly basis**



Cash flow and net cash position
(in € million)

First quarter 2014
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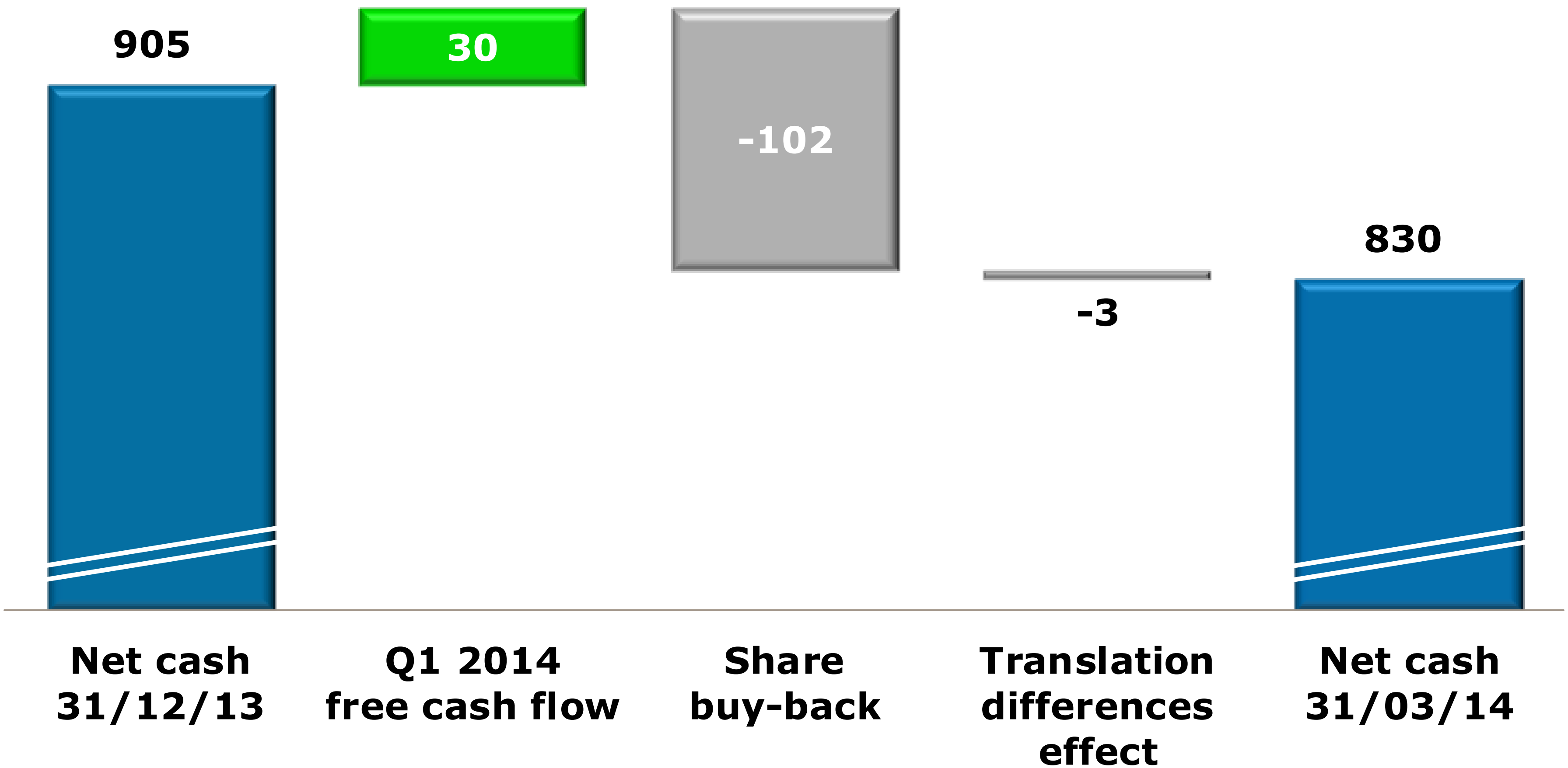
- **Free cash flow stable compared to Q1 2013**
- **Share buy-back II completed**



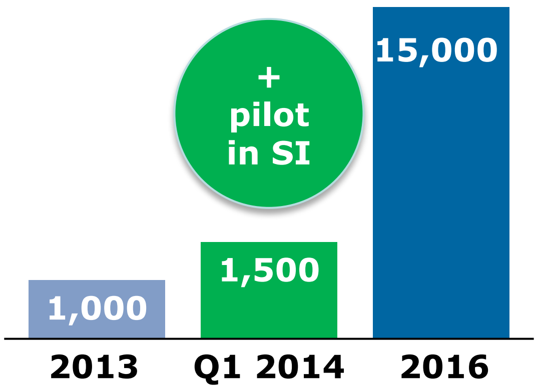
Update on DWP WCA contract

- **Agreement** reached in March 2014 **with the Department for Work and Pensions** in the UK regarding the **Work Capability Assessment** (WCA) contract:
  - **Early exit** on February 2015 versus August 2015 previously
  - New **agreed volumes** of medical assessments to be delivered until February 2015 and **subsequent credit regime**
  - **Smooth transition** to one single provider which guarantees **complete transfer of staff** (administrative and medical) as well as **infrastructures**
  - **Continuity and quality of service** until completion of the transition
  - **Full waving of past claims** through a **financial settlement fully accrued** in 2013 Group accounts
  - Work Capability Assessment contract in **Northern Ireland unaffected** by early termination

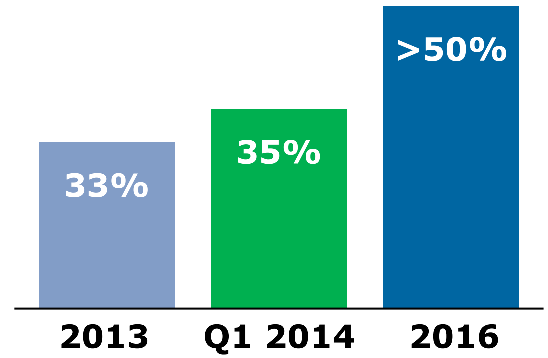
- **DWP Personal Independence Payment (PIP)** contract is **ramping-up**:
  - Scotland, North of England, London and South of England

3-year plan well on track with already significant progresses in Q1 2014

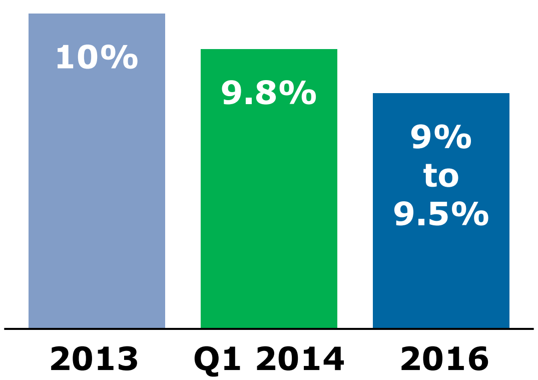
End-to-end coverage in FTE



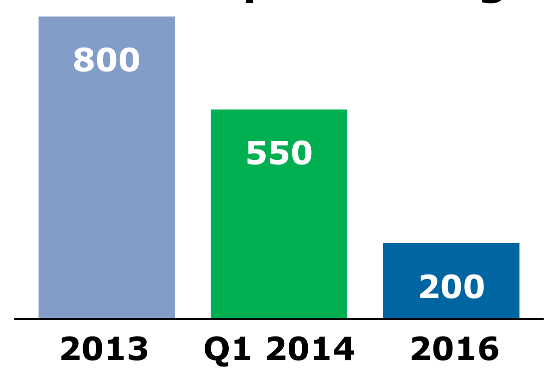
Systems Integration offshore ratio



SG&A as % of revenue



Number of vendors representing 80% of purchasing



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Gilles Grapinet,
Senior Executive Vice President, Global Functions
Chief Executive Officer of Worldline

Performance of worldline

e-payment services
an atos company

Key figures

€265m
+1.0% organic

Revenue

€1.6bn

Backlog

€25m

Free cash flow

7,200

Total headcount

Merchant Services & Terminals

Main activities & offerings

- Commercial acquiring and acceptance services
- Online services
- Private label cards and loyalty services
- Payment terminals

Q1 2014

€89m
Revenue

+1.2%
Organic growth

Financial Processing & Software Licensing

Main activities & offerings

- ▶ **Issuing processing services**
- ▶ **Acquiring processing services**
- ▶ **Online banking platforms**
- ▶ **Payment software licensing**

Q1 2014

€94m
Revenue

+3.0%
Organic growth

Mobility & e-Transactional Services

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Main activities & offerings

- **e-Government services (tolling systems, fine processing centers,…)**
- **e-Ticketing solutions and services**
- **e-Consumer and mobility services**

Q1 2014

€82m
Revenue

-1.5%
Organic growth

Recent wins and partnerships for Worldline

From January to March 2014

- In Belgium, Worldline was retained by **ING** to support its acquiring business
- "**Fonds de Garantie des Dépôts et de Résolution**" selected Worldline to develop and host its information system in France
- Worldline's contract was extended with **Volkswagen Bank** in Germany and in France with **LCL** and "**Groupe Chèque Dejeuner**"
- Partner of **Good Deal** to enhance kiosk platform of accessing promotions for retail customers
- Worldline to integrate into **PAY.ON**'s web-based, omnichannel payment gateway to extend the coverage of its international acceptance
- Partnership with **Yapital** to allow retailers with card terminals to receive payments via smartphones through network operators
- **HERE** and Worldline teamed for cars and commercial vehicles enabling connected services

Gilles Grapinet,
Senior Executive Vice President, Global Functions

2014 objectives

2014 objectives confirmed

The Group **confirms** all its objectives for 2014 as stated in the February 19th, 2014 release, i.e.:

- **Revenue**
  - The Group expects to **positively grow** compared to 2013.
- **Operating margin**
  - The Group has the objective to continue improving its operating margin rate targeting **7.5% to 8.0%** of revenue.
- **Free cash flow**
  - The Group expects to achieve a free cash flow **above 2013** level, in line with 2016 ambition.

Management team

Q&A session

From Questions to Answers

Appendix

New organization effect on Q1 2013 and constant scope and FX reconciliation

In € million	Q1 2013 statutory	Internal transfer	Atos Worldgrid	Atos WFM & Diamis	N&SWE	Worldline Carve-out	Q1 2013 new organization	Scope impact	Exchange rates impact*	Q1 2013 at constant scope and FX*
Germany	396		4				400			400
UK & Ireland	411					-31	380		10	390
France	228		22	12			263	0		263
Benelux (& The Nordics)	240				40		280	-1	0	279
Atos Worldline	228			-12		-215				
Central & Eastern Europe	127		13		53	-2	192		-5	186
North America	153						153		-5	147
North & South Western Europe	94				-94					
Iberia	76		6			-8	74			74
Other BUs	166		-46			-9	111	4	-14	100
Total IT Services	**2,117**	**0**	**0**	**0**	**0**	**-265**	**1,852**	**2**	**-15**	**1,839**
Worldline						**265**	**265**		**-3**	**262**
TOTAL GROUP	**2,117**	**0**	**0**	**0**	**0**	**0**	**2,117**	**2**	**-18**	**2,102**
Managed Services (incl. BPO)	990	117					1,107		-6	1,101
Consulting & Systems Integration	485	201	46	12			745	2	-9	738
HTTS & Specialized Businesses	481	-157	-46	-12		-265				
Consulting & Technology Serv.	161	-161								
Total IT Services	**2,117**	**0**	**0**	**0**	**0**	**-265**	**1,852**	**2**	**-15**	**1,839**
Worldline						**265**	**265**		**-3**	**262**
TOTAL GROUP	**2,117**	**0**	**0**	**0**	**0**	**0**	**2,117**	**2**	**-18**	**2,102**

** At March 2014 Exchange rates*

New organization effect on FY 2013 and constant scope and FX reconciliation

In € million	FY 2013 statutory	Internal transfer	Worldline Carve-out	FY 2013 new organization	Scope impact	Exchange rates impact*	FY 2013 at constant scope and FX*
Germany	1,659	1		1,661			1,661
UK & Ireland	1,647	0	-127	1,521		40	1,560
France	1,020	1		1,020	0		1,020
Benelux (& The Nordics)	1,083	1		1,085	-3	-1	1,081
Atos Worldline	896		-896	0			
Central & Eastern Europe	873		-9	865		-23	842
North America	607	2		609		-20	589
Iberia	325		-31	293			293
Other BU's	504	-5	-42	456	7	-39	425
Total IT Services	**8,615**	**0**	**-1,105**	**7,510**	**3**	**-43**	**7,470**
Worldline			**1,105**	**1,105**		**-12**	**1,093**
TOTAL GROUP	**8,615**	**0**	**0**	**8,615**	**3**	**-54**	**8,564**
Managed Operations	4,017	440		4,457		-13	4,444
(Consulting &) Systems Integration	2,278	774		3,053	3	-30	3,026
HTTS & Specialized Businesses	1,706	-602	-1,105	0			0
Consulting & Technology Services	613	-613		0			
Total IT Services	**8,615**	**0**	**-1,105**	**7,510**	**3**	**-43**	**7,471**
Worldline			**1,105**	**1,105**		**-12**	**1,093**
TOTAL GROUP	**8,615**	**0**	**0**	**8,615**	**3**	**-54**	**8,564**

** At March 2014 Exchange rates*

Thank you